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September 12, 2002

Via Electronic Filing
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: Application by Verizon New England and Verizon Delaware for Authorization to Provide In-Region, InterLATA Services in New Hampshire and Delaware, Docket 02-157

Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Docket 01-338

Implementation of the Local Competition Provisions of the Telecommunications Act of the 1996, Docket 96-98

Deployment of Wireline Services Offering Advanced Telecommunications Capability, Docket 98-147

Dear Ms. Dortch:

On Wednesday, September 11, 2002, Robert Quinn and the undersigned, both of AT&T, had a telephone conversation with Chris Libertelli, Legal Advisor to Chairman Powell, to discuss the pricing issues raised by AT&T in connection with Verizon's joint application for interLATA authority in Delaware and New Hampshire.

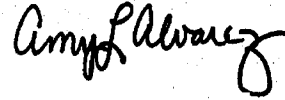
In particular, AT&T explained that Verizon's switching rates in New Hampshire are not cost-based and that for purposes of rate benchmarking, conducting a comparison between the switching rates in New Hampshire and New York is appropriate as the Synthesis Model overstates the costs of transport, particularly in lower density states. We reiterated that the relief AT&T seeks is narrow and specific: that the Commission consider AT&T's supplemental benchmark comparison of a single subset of non-loop rates.

In addition to AT&T's price squeeze argument, we also discussed our concerns regarding Verizon's non-recurring charges ("NRCs") in Delaware, and in particular, Verizon's inflated NRCs for vertical feature changes and hot cuts. As part of this discussion, we also referred to AT&T's comments filed in the above-referenced Triennial Review dockets which highlight the need to establish some form of electronic loop provisioning in order to accelerate the development of facilities-based local competition. We explained that the technology to support electronic provisioning is technically feasible

and available today and that electronic provisioning could eliminate some of the enormous financial and technical obstacles to facilities-based competition that currently exist.

One electronic copy of this Notice is being submitted in each of the above-referenced proceedings in accordance with Section 1.1206 of the Commission's rules.

Sincerely,

A handwritten signature in black ink, appearing to read "Amy L. Alvarez". The signature is fluid and cursive, with a large, stylized "A" and "L".

cc: Chris Libertelli
Gary Remondino
Victoria Schlessinger
Henry Thaggert
Tracey Wilson
Ann Berkowitz (Verizon)